STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 4 2025

RE: S.B. No. 1197 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 1197 entitled:

"A BILL FOR AN ACT RELATING TO AIRCRAFT,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Director of Transportation to adopt rules that require tour aircraft operators to carry aircraft liability insurance coverage.

Your Committee received testimony in support of this measure from the Department of Transportation, Windward Coalition, Hawaii Association for Justice, and Blue Hawaiian.

Your Committee received testimony in opposition to this measure from the Department of the Attorney General, Rainbow Helicopters, Vertical Aviation International, and Jack Harter Helicopters.

Your Committee finds that the use of helicopters for business and recreational purposes in the State carries the risk of property damage, bodily injury, and even death. The recent helicopter crash in Kauai that killed three people brings the total count of victims killed in the State in air tour accidents since 2000 to forty-eight. This measure will address the need for greater safety and risk mitigation among tour helicopter operators



in the State by requiring helicopter operators to carry aircraft liability insurance coverage.

Your Committee notes the concerns raised by the Department of the Attorney General regarding the preemption of accident liability insurance established by federal rules. Presently, federal law establishes minimum liability insurance coverage requirements for air carriers based on classification and passenger capacity. As this bill may conflict with federal law, your Committee respectfully requests your subsequent Committees who choose to deliberate on this measure to examine federal preemption of liability insurance coverage.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1197, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1197, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on behalf of the members of the Committee on Transportation and Culture and the Arts,

CHRIS LEE, Chair

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Transportation and Culture and the Arts TCA

Bill / Resolution No.:*	Committee	Referral:	D	ate:	
SB 1197	TCA	, CPN		2-11-	2025
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)		\checkmark			
INOUYE, Lorraine R. (VC)					
ELEFANTE, Brandon J.C.					
KANUHA, Dru Mamo				•	
DECORTE, Samantha					
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TOTAL		3	l	1	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Hraniek Anouge					
Distribution: Original File with Committee Re	Ye	llow	Pink Drafting Agency		denrod ee File Copy

*Only one measure per Record of Votes